

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is made as of this ___ day of July, 2012, by, between, and among the Federal Deposit Insurance Corporation as Receiver for BankUnited, FSB ("FDIC-R"), and Michael Orlando ("Orlando") (individually, the FDIC-R and Orlando may be referred to herein as a "Party" and collectively as the "Parties").

WHEREAS:

Prior to May 21, 2009, BankUnited, FSB ("Bank"), was a federal savings bank organized and existing under the laws of the United States.

On May 21, 2009, the Office of Thrift Supervision closed the Bank and appointed the Federal Deposit Insurance Corporation as its receiver. In accordance with 12 U.S.C. § 1821(d), the FDIC-R succeeded to all rights, titles, powers, and privileges of the Bank, including those with respect to the claims which are subject to this Agreement.

On or about May 2, 2007, Bank funded a loan to borrowers [redacted] (b)(6) [redacted] in a total amount of \$1,270,000 in connection with [redacted] purchase of a [redacted] (b)(6) residential property located in Santa Clara, California (hereinafter the "[redacted] Transaction"). (b)(6)

On or about May 23, 2007, Bank funded a loan to borrower [redacted] in [redacted] (b)(6) a total amount of \$1,312,500 in connection with [redacted] s refinance of a mortgage loan obtained in connection with a residential property located in Santa Clara, California (hereinafter the [redacted] Transaction"). (b)(6)

On or about May 18, 2012, FDIC-R filed an action against Orlando and others in the United States District Court for the Northern District of California, Case No. C 12-02572 PSG (the "District Court Action"), alleging that Orlando committed fraud and other harmful actions in

(b)(6) connection with the [redacted] Transaction and the [redacted] Transaction, which caused damages (b)(6) to the FDIC-R.

A dispute has arisen between the Parties with respect to the claims by the FDIC-R related to Orlando's actions as alleged in the District Court Action (hereinafter any and all present and future claims by the FDIC-R against Orlando in connection with the [redacted] Transaction and (b)(6) the [redacted] Transaction are referred to as the "Claims"). The Parties engaged in settlement negotiations as a result of the Claims. The Parties now deem it in their best interests to enter into this Agreement to avoid the uncertainty, trouble, and expense of litigation.

NOW, THEREFORE, in consideration of the promises, undertakings, payments, and releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with the other, as follows:

SECTION I: Payment to FDIC-R.

A. As an essential covenant and condition to this Agreement, on or before thirty (30) days following the date the FDIC-R executes this agreement, Orlando shall pay the FDIC-R the total sum of Four Hundred Fifty Thousand Dollars (\$450,000) (the "First Payment"). In addition, also as an essential covenant and condition to this Agreement, on or before ninety (90) days following the date the First Payment is made, Orlando shall pay the FDIC-R the total sum of Five Hundred Fifty Thousand Dollars (\$550,000) (the "Second Payment"). In addition, also as an essential covenant and condition to this Agreement, on or before thirty (30) days following the date the Second Payment is made, Orlando shall pay the FDIC-R the total sum of One Hundred Thousand Dollars (\$100,000) (the "Third Payment"). (The First Payment, Second Payment, and Third Payment are referred to collectively herein as the "Settlement Payment"). The Settlement Payment shall be made by wire transfer made payable to "Mortgage Recovery

Law Group Client Trust Account," Account Number: Routing Number: (b)(4)

(b)(4) Reference: BankUnited/Michael Orlando Settlement.

B. If the FDIC-R does not receive the Settlement Payment in full on or before the dates determined by subparagraph A above ("Settlement Payment Due Date"), then the FDIC-R, in its sole discretion, shall have the right to:

1. extend the period of time for payment, including interest accruing from the Settlement Payment Due Date through the date of payment at a rate calculated in accordance with 26 U.S.C. § 6621(b)(3); or
2. enforce this Agreement and, in such event, Orlando agrees to jurisdiction in Federal District Court in California and to pay all of the FDIC-R's reasonable attorney's fees and costs expended in enforcing the terms of this Agreement; or
3. declare this Agreement null and void, move to vacate any dismissal order, to which Orlando agrees to consent, and institute an action on the FDIC-R's claims, as to which Orlando waives any and all objections to the filing of such and covenants and agrees not to assert any objections; and/or
4. seek any other relief available to it in law or equity.

Any extension of time for delivery of the Settlement Payment shall not prejudice the FDIC-R's right to take other action or seek any relief during or after such period of extension, including the right to bring an action to enforce the Agreement, or declare the Agreement null and void.

C. If the FDIC-R does not receive the Second Payment or the Third Payment in full on or before the dates determined by subparagraph A above, then the FDIC-R, in its sole discretion, shall also have the right to enforce a stipulated judgment against Orlando for the remaining balance of the unpaid Settlement Payment due from Orlando. In the instance that the

FDIC-R pursues a stipulated judgment against Orlando for Orlando's failure to fully and timely pay in full the Second Payment and/or the Third Payment, Orlando agrees not to oppose the entry or enforcement of the stipulated judgment and further agrees to compensate the FDIC-R for all costs, fees, and other expenses incurred in entering and enforcing this stipulated judgment. Orlando agrees the judgment is not dischargeable in bankruptcy pursuant to 11 U.S.C.A. §§ 523(a)(4) and 523 (a)(7). It is understood that so long as Orlando meets and complies with the payments referred to herein, the stipulated judgment will not be filed.

SECTION II: Releases.

Each Party acknowledges that this Agreement applies to all claims for injuries, damages, or losses of any type or nature (whether those injuries, damages, or losses are known or unknown, foreseen or unforeseen, patent or latent) which that Party may have against another Party arising from the Claims.

A. The FDIC-R's Release.

Upon receipt of the Settlement Payment, plus any accrued interest, and except as provided in PARAGRAPH II.C., the FDIC-R, solely in its limited capacity as the appointed Receiver of Bank and no other receivership, hereby releases and discharges Orlando and his former spouse, [REDACTED] from any and all claims, demands, contracts, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity belonging to the FDIC-R, arising out of or relating to the Claims.

(b)(6)

B. Michael Orlando's Release.

Effective simultaneously with the release in PARAGRAPH II.A. above, Orlando, on behalf of himself, and his former spouse [REDACTED] hereby releases and discharges the FDIC-R, and its employees, officers, directors, representatives, successors and assigns, from any

(b)(6)

(b)(6) and all claims belonging to Orlando or [redacted] arising out of or relating to the Claims.

C. Exceptions to Release by FDIC-R.

1. Notwithstanding any other provision of this Agreement, the FDIC-R does not release, and expressly preserves fully and to the same extent as if this Agreement had not been executed, any claims or causes of action:

a. against Orlando or any other person or entity for liability, if any, incurred as the maker, endorser or guarantor of any promissory note or indebtedness payable or owed by them to FDIC-R, the Bank, other financial institutions, or any other person or entity, including without limitation any claims acquired by FDIC-R as successor in interest to the Bank or any person or entity other than Bank;

b. against any person or entity not expressly released by the FDIC-R in this Agreement; or

c. which are not expressly released in PARAGRAPH IIA. above.

2. Notwithstanding any other provision of this Agreement, nothing herein limits, waives, releases, diminishes or compromises the jurisdiction and authority of the Federal Deposit Insurance Corporation in the exercise of its supervisory or regulatory authority to institute administrative enforcement or other proceedings seeking removal, prohibition, civil penalties, restitution or other relief it is authorized to seek pursuant to its supervisory or regulatory authority against any person, or which may arise by operation of law, rule, or regulation.

3. Notwithstanding any other provision of this Agreement, this Agreement does not waive any claims brought on behalf of another failed institution or any claims which could be brought by any other governmental entity.

SECTION III: Insolvency.

A. Insolvency.

Orlando warrants as to payments made by or on his behalf that at the time of such payment, he is not insolvent nor will the payment made by or on his behalf render him insolvent within the meaning and/or for the purposes of the United States Bankruptcy Code. This warranty is made by Orlando and not by his counsel.

B. Preferences.

In the event that the FDIC-R is required to return any portion of the Settlement Payment due to a final order by a court that the transfer of the Settlement Payment or any portion thereof constituted a preference, voidable preference, fraudulent transfer or similar transaction, then, in its sole discretion, the FDIC-R may, without waiver of any other rights it may have in law or equity, pursue any of the rights and remedies set forth in paragraphs I.B. and I.C. above, and/or otherwise permitted by law.

SECTION IV: Termination.

In the event the FDIC-R exercises its right to declare this Agreement null and void as provided herein, then, for the purposes of any statute of limitations or other time-based defense to any of the claims of the FDIC-R, the parties to this Agreement shall be deemed to have reverted to their respective status as of 12:01 a.m. Eastern Time, May 18, 2012.

SECTION V: Notices.

Any notices required hereunder shall be sent by registered mail, first class, return receipt requested, and may also be sent by email, to the following:

If to the FDIC-R:

Paul Levin
Mortgage Recovery Law Group
700 North Brand Boulevard, Suite 830
Glendale, California 91203
(818) 630-7901

(b)(6)

If to Michael Orlando:

Frank Ubhaus
Berliner Cohen
10 Almaden Blvd., Eleventh Floor
San Jose, California 95113
(408) 286-5800

(b)(6)

SECTION VI: Other Matters.

A. No Admission of Liability.

The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute the settlement and compromise of disputed claims and defenses, that this Agreement is not an admission or evidence of liability or infirmity by any of them regarding any claim or defense, and that the Agreement shall not be offered or received in evidence by or against any Party hereto, except to enforce its terms.

B. Execution in Counterparts.

This Agreement may be executed in counterparts by one or more of the Parties named herein and all such counterparts when so executed shall together constitute the final Agreement, as if one document had been signed by all Parties hereto; and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding the Party or Parties subscribed thereto upon the execution by all Parties to this Agreement.

G. Advice of Counsel.

Each Party hereby acknowledges that he or it has consulted with and obtained the advice of counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his or its counsel.

H. Title and Captions.

All section titles and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

I. Authorship/Construction.

This Agreement sets forth terms and agreements jointly negotiated by the Parties. It is expressly agreed that this Agreement shall not be construed for or against any party by reason of which party drafted it.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

Federal Deposit Insurance Corporation as Receiver for BankUnited, FSB

Michael Orlando

(b)(6)
(b)(6)

By:

[Redacted Signature]

[Redacted Signature]

Name:

Margon M. Bullion

Date:

7/31/12

Title:

Senior Attorney P&ES

Date:

7/26/12